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This paper is an overview of different goals and strategies relevant to the economic development of poor minority groups in the United States. The logical structures of world views, goals, and the resultant strategic choices which underlie various programs are described. In subsequent sections, issues of strategy and tactics are further analyzed. The paper contains no new data or other information, but rather is an attempt to develop a framework within which both research and action on minority economic development can be done more effectively. (Author)

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Notes on Different Goals and Strategies

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This paper is an overview of different goals and strategies relevant to the economic development of poor minority groups in the United States. The logical structures of world views, goals, and the resultant strategic choices which underlie various programs are described. In subsequent sections issues of strategy and tactics are further analyzed. The paper contains no new data or other information, but rather is an attempt to develop a framework within which both research and action on minority economic development can be done more effectively.

ALTERNATIVES TO THE NON-GILDED GHETTO

Notes on Different Goals and Strategies[1]

Joel Bergsman

What do people mean when they talk about "ghetto economic development," "black capitalism," and related terms? How do their different goals influence the kinds of programs they like? What kinds of programs would be best for ameliorating ghetto poverty and racial discrimination?

Some of the differences on these questions clearly stem from divergent goals. Other differences seem to center on different views of the possible results of minority economic development programs. This is evident in statements that a particular program "may be desirable, but is not feasible" or "...but is not efficient." However, many of these disagreements also stem from differences in goals, values, and judgments about the basic nature of man and our society. This paper, intended as a prelude to research and to action, should also show how different goals affect which strategies are preferred, almost independently of one's view of the nature of the possibilities.

To make this more concrete, the first section describes three simplified packages of world views, goals and strategies. These packages

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[1] In researching these notes I benefitted from reading many papers and talking to many people. As the title indicates, the paper by Kain and Persky, "Alternatives to the Gilded Ghetto," (The Public Interest, Winter 1969) provided an especially strong stimulus.

are labeled "black," "liberal" and "conservative." They are deliberately exaggerated, to show more clearly the logic which underlies the less simplistic actual views held by real people or articulated by real programs. The labels are strictly for convenience; they do not imply, for example, that I think all black people subscribe to the "black" package. The second section of the paper examines some policy issues, and a short final section is devoted to the current situation.

I. Three Simplified Packages of Goals and Strategies

The "Black" Package[2]

More political and economic power for poor minorities as classes or groups is the main goal of the "black" package. The use of this power is twofold: to choose whether or not to integrate with other groups (and if so, on what terms), and to obtain the same opportunities for jobs, housing and so forth that others enjoy, whether the minority person integrates or not.

Those holding these goals believe that racial and ethnic separation will continue for a long time. They believe that white racial prejudice is strong and deep-seated. Their goals and strategies are designed not to eliminate, but to live with and succeed in the face of prejudice and excessive racial pride.

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2 The "black" view in these notes is well set out in the papers by Green and Faux, "The Social Utility of Black Enterprise," and by Innis, "Separatist Economics; A New Social Contract," in Black Economic Development, (Haddad and Pugh, editors, Prentice-Hall, 1969).

These goals require the creation of powerful, autonomous institutions controlled by poor minorities. These institutions range from political clubs and parties, to consumer associations, to business firms. Economic and political power are seen as inextricably linked. The emphasis on institutions -- and the disfavor with the term "black capitalism" -- stem from a feeling that the development of small numbers of middle- or even upper-income minority capitalists has had little effect on improving the economic conditions of the total minority population. The exercise of power is seen to require control of institutions, and so voting shares in businesses, co-ops, community development corporations or other forms "responsive to the community" are preferred to measures featuring individual gains. The argument is that as long as white-controlled institutions control the economy, poor minorities will never achieve equality in income levels and employment. Such equality will not be produced by programs aimed only at individuals; it can be achieved only through the creation of powerful minority-controlled institutions.

Development of human resources nevertheless gets a fairly high priority in the "black" package. But the emphasis is more on development of racial-cultural pride and identity than on the more "nuts-and-bolts" areas. This is obviously only the same thing that present education does for most whites, but note that it is consistent with the view that these poor minorities will be distinct groups for at least several more generations; if they were on the verge of assimilating, there would not be much sense in heightening their racial-ethnic identity and pride. This element of the "black" strategy obviously depends on the view that white racism is strong and will continue to be so.

In summary, the reasons why the "black" package emphasizes economic development, and the kind of development desired, are as follows: The three basic assumptions are that poor minorities will continue to exist as groups or classes for some time, that political and economic power are inextricably linked and cannot exist independently of each other, and that power can be created and exploited only through institutions which organize and exercise the more basic sources of power such as money, votes, etc. These assumptions imply that if poor minorities want power and the things power buys, there must be economic development of their community (whether this community is defined geographically, racially, or otherwise is not always clear), and that this development must be based on autonomous institutions controlled by the poor minorities, in the economic as well as in the political sphere.

No assumptions about the efficiency of economic development are necessary to these conclusions. Such development is seen as a necessary condition for achieving the goals, and it therefore must be attempted, even if the cost is high.

The "Liberal" Package[3]

Just as many black people do not subscribe to some or all of my "black" paradigm, so not all people who consider themselves liberals subscribe to this one.

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[3] Examples of the "liberal" package are the Kain-Persky paper; "Black Power, White Style" by Robert Levine; and many statements by Andrew Brimmer.

Equality is the basic goal of the "liberal" package. It seeks to end racism and prejudice, and thus the actions stemming from these attitudes. The insistence on equal treatment is not "color blind"; that is, compensatory special advantages are recognized as necessary to overcome disadvantages that groups or individuals suffer through no fault of their own.

The "liberal" does not like separatism -- by whites, blacks or anyone else. He does not like Black Power, with or without capital letters.

An assumption of the "liberal" package is that racism and prejudice can be overcome in some not-too-long time. Emphasis is on removing discrimination as a means toward equal status, while the "black" view stresses equal status first as a necessary lever for wiping out discrimination.

In contrast to the "black" view that economic and political power are inextricably linked, the "liberal" holds that the two, while complementary, may be pursued separately. When political paths are blocked, economic equality might still be pursued with good results; conversely, political power may be gained without much economic progress.

An obvious basic difference is that the "liberal" has a much larger stake in the status quo, and is far more wary of revolutionary change than the "black." So, the "liberal" programs aim more at ameliorating <u>results</u> of the status quo -- through programs to raise income, upgrade jobs and skills, improve child development, modernize welfare programs, modify police behavior and the like -- programs mostly intended to permit individuals to function better within existing institutions.

The "liberal" package has a natural attraction for economists, who at least in this country are taught to concentrate on technical matters such as efficiency and to avoid ethical or value problems such as redistribution. This asceticism is often expressed in the "liberal" package by analyzing proposals in terms of costs and benefits to the society as a whole, and ignoring who pays the costs and who gets the benefits. Since transfers are an essential goal of many programs, such analysis is often not very relevant. Much economic analysis also falls short in considering only marginal changes, in one variable at a time, within a static framework. Real progress in solving problems of poor minorities may well require fairly large changes in certain variables and institutions, and may depend on complex interactions in which progress in one dimension depends on progress in others. Considering such complex and larger-scale phenomena is not one of the strong points of most economic analyses.

The basic assumptions and goals of the "liberal" package, and their effect on what kinds of strategies are preferred, can be summarized as follows: The "liberal" believes that racism can and should be eliminated by direct action, and he dislikes separatism. He wants an end to racism and prejudice on all sides, and equal opportunities for all individuals. This leads him to less than full endorsement of black power or poor power. Moreover, he does not believe that political and economic power cannot be built separately, and he therefore does not see control of economic institutions by poor minorities as a necessary requirement for achieving their goals.

The "liberal" analyzes proposals for minority economic development in terms of overall economic efficiency. His finding of inefficiency in

plans for inducing firms to locate in ghettoes bolsters his notion that separatism is bad and that dispersal should be stressed rather than subsidized ghetto development.

The "Conservative" Package

The "conservative" is found in many places. He may be an establishment figure, concerned with operation of the city government or a business corporation. Or he may be a middle-class or working-class citizen. His basic goals for the city are to increase the tax base, reduce tax burdens and prevent disturbances; and for the corporation to encourage smooth, profitable growth in an aura of good public relations; and for himself to suppress threats to his values and his peaceful life.

This package holds that successful people make things work. Successful people may be of any race, but they are not poor. The poor, especially to the extent they demand and require special public expenditures, are seen as a drag on the rest of society. (Although many segments of society benefit from the existence of the poor -- and contribute to the continuation of poverty -- through exploitation of cheap labor, including women as well as blacks, Mexican-Americans and other minorities.)

To the "conservative," the benefits from getting rid of the ghetto appear to exceed any possible benefits of redeveloping the ghetto. Dispersing the ghetto is therefore a dominant strategy, and it is no accident that the "Negro removal" types of urban renewal and highway clearance have been favorites of the "conservatives."

Since city or corporate power cannot remove all ghettoes, the "conservative" has other strategies. These include efforts to increase

the percentage of middle class families, to stress middle class values, and to "keep the lid on" in ghetto neighborhoods.

The "conservative" and the "liberal" are allied in preferring ghetto dispersal to ghetto gilding, and in pursuit of peace and quiet. The "conservative" is seldom on the same side as the "black" -- the "conservative" may like programs to guarantee commercial loans to ghetto businessmen (especially if they limit their market to the ghetto), and he may like or at least tolerate subsidies to induce large businesses to locate plants in ghetto areas. Neither of these programs rates high in the "black" view. Nevertheless, an alliance of "blacks" with "conservatives" might be possible. They are each willing to live with "separate but equal" development, they each dislike welfare and paternalistic programs, and they each see the world as a pie from which they want a bigger piece. This self-interest need not create insoluble conflicts; indeed the areas of coincident self-interest are many: minority development would increase the city's tax base, reduce need for welfare and housing subsidies, and probably reduce crime, riots and other anti-social behavior.

II. Some Issues for Strategy

Individual or Community Benefits

One of the crucial policy issues raised by the different packages or views is the individual income-employment vs. institution-community question. To what extent should programs be aimed directly at more jobs and higher wages for ghetto residents? Or should programs stress structural changes and new institutions that may benefit the minority poor only slightly in the short run?

The latter alternative -- following the tenets of the "black" package -- implies an acceptance of separatism. It tells the poor minorities who will continue to live somewhat separately that their long-run hope lies in controlling social, political and economic institutions. Integration and equal treatment will not flow from the noblesse oblige of the establishment, so the mass of the poor minorities must develop sufficient economic and political muscle as groups to command equality and respect.

The individual development approach, on the other hand, is supported by pointing to poor minority citizens who have made it, and exhorting their brothers to go and do likewise.

Even the "black" accepts programs aimed at individuals -- to improve skills, reduce unemployment, educate the children and so forth. But the "black" doubts the sufficiency of these programs. He believes they will continue to be inadequate until poor minorities -- through community development -- acquire the power to alter the content and the scale of the programs.

The individual and community strategies are real alternatives in many ways. The minority community must compete with the establishment for the services of talented minority individuals. The two strategies compete for votes, for the attention of policy-makers and for money.[4]

The interactions between political and economic power are pertinent here. The two kinds of power are not so intimately linked as in the

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[4] Cf. Albert Hirschman, Exit, Voice and Loyalty, (Cambridge: Harvard University Press, 1970), esp. p. 109.

"black" view -- development of political power by the Irish in America, and economic power by the Jews, show this. But the extreme alternative recommendation that poor minorities concentrate all their energies on developing political institutions, and none on economic ones, is absurd. The "black" goals of economic power are not all so patently impossible or inefficient that no effort should be devoted to devising good ways to achieve them. Political power, as well as general social advancement, can be derived from economic power. A more-or-less balanced strategy has much to recommend it.

To reject the extremes does not resolve all questions, as the debate about "black capitalism" illustrates. This much-praised and much-maligned strategy[5] has been defined by many of the maligners as having two elements: "black ownership of business, within the urban ghetto."[6] Much criticism centers around the second element: ghetto location is judged to imply small, unprofitable mom-and-pop stores with markets limited to poor residents who buy little.

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5 Advocates include Richard Nixon and his administration; Howard Samuels, administrator of the Small Business Administration under Johnson; Theodore Cross, Wall-Streeter, author of Black Capitalism (Atheneum, 1969), and recent consultant to the Office of Economic Opportunity's Special Impact Program; and many black capitalists and entrepreneurs. Maligners include Andrew Brimmer of the Board of Governors of the Federal Reserve System and author (with Henry S. Terrell) of "The Economic Potential of Black Capitalism" (December 29, 1969; mimeo); Robert Levine, former director of the Office of Economic Opportunity's Office of Research, Plans, Programs and Evaluation and author of "Black Power, White Style," and many black activists, organizers, and economic developers.

6 Booms and Ward, "The Cons of Black Capitalism," Business Horizons, October, 1969, p. 9.

Nevertheless, some ghetto businesses have been run profitably, and by blacks. These include not only supermarkets and other retail or distribution functions serving the ghetto market, but also "export" operations such as manufacturing and head offices of customer-located services. But more important, "black capitalism" is not constrained to ventures in ghettoes or to serving ghetto markets.

Other criticisms, however, are leveled at the first element of the definition: black ownership of business. Brimmer, Levine and others allege that few blacks will benefit from black ownership of business wherever located, and that employment in existing institutions owned and controlled by whites offers far more promise for the poor minority masses. This conclusion follows the Berle-Galbraith views of the diffusion of ownership, the separation of ownership from control, and the supposed relative scarcity of trained and competent middle- and upper-level management. According to this viewpoint, the power, the opportunities for growth, and the economic and even the psychological rewards have passed from capitalists to technocrats.

Few would disagree that for many poor minority citizens, as for most other Americans, better jobs in existing institutions are the best hope. But the strong negative judgment on black capitalism seems to ignore the way power is created and used in this country. The political power of an individual is not significantly changed when his salary rises from $3,000 per year to $10,000 or even to $30,000 -- in fact his political influence might actually be decreased, because he has more to lose and therefore may take fewer risks. His higher income enables him to buy more goods, but any other form of power may still be denied him.

Power is increased when a person or group gets a really large stake in one or more decision areas. Oilmen do influence our laws on income taxes and on import controls. Banks which finance exports and private foreign investment do influence our foreign policy. If poor minorities are to increase their present disproportionately low levels of power on issues which concern them (a goal not, of course, universally shared), then getting more of them into good jobs with IBM is not sufficient. They must combine to control institutions which have large stakes in relevant decisions, and whose weight will then come down on their side. Even the creation of a few thousand minority millionaires -- a goal which brings automatic scorn from all sides -- might possibly make a difference. Past experience doesn't show much solicitude of the rich for their poor brothers, but I personally would put as much -- not much, but as much -- trust in benefits for the poor minority masses from a few thousand minority millionaires as from a hundred thousand middle-class employees of large corporations. (This is not to overlook the direct benefits to the hundred thousand, but only to question whether this would give their minority group more power.)

Hard-Core Poverty or Less-Poor Targets

Many programs that are labeled "minority economic development" do not attack hard-core poverty. This is especially true of "liberal" and "conservative" programs. Aid to minority entrepreneurs, efforts to persuade poor minority consumers to buy minority-produced products, locating

new businesses in ghetto areas, and so forth have little immediate impact on the hard-core poor. Most beneficiaries are likely to have been above or not much below the poverty line to begin with.

The most efficient way to reduce poverty may well be simply to give poor people money. But to many, poverty is much more than being financially poor. The institution-building approach aims to change and make more bearable the culture of the minority poor, their ghetto environment and the nature of their interactions with the rest of society. This "black" approach may thus be said to be aimed at poverty, albeit more at its cultural than its economic aspects.

Ghetto "Gilding" or Ghetto Dispersal

Ghetto "gilding" and ghetto dispersal should not be thought of as mutually exclusive. Blacks and other poor minority groups will continue to live somewhat separately for a long time. If their neighborhoods can be improved, then they and the cities they inhabit will benefit. Of course, successful "gilding" means eliminating most of the bad characteristics that make us worry about ghettoes. Park Heights in Baltimore, the Berkeley hills, and other homogeneous middle-class neighborhoods are often referred to as ghettoes, but the homogeneity is voluntary and not particularly harmful. A Harlem or Bedford-Stuyvesant which was 90 percent black but had the physical, social and economic character of Park Heights would scarcely be considered a problem.

Full ghetto redevelopment admittedly would be awfully difficult. The more successful residents tend to move away, so an extremely rapid "big push" would be necessary to transform a ghetto area into a prosperous one with many of the same residents. This is one reason why a

minority economic development strategy must have a large scope -- one can conceive of a set of programs resulting in great progress for poor minorities nationally, far more readily than one can imagine transforming Hough or Harlem into a prosperous, pleasant neighborhood for the present residents. (Many of the programs may still be local, but they must fit into a strategy for nationwide development.)

Short of full redevelopment, however, "import substitution" can help. This strategy calls for minorities to produce for themselves certain goods and services traditionally bought from outside. Some (not all) firms which provide these goods and services will have to locate near their markets in the ghetto. This will provide employment in depressed areas, ease transport problems and provide demonstrations of growth and success to neighborhood residents at the places where ghettoes are.

Import substitution, nevertheless, will not be sufficient for solving the economic problems of poor minorities. Many poor black and other minorities will have to make it as individuals, in both black-owned and in white-owned firms serving the integrated market.

Some indigenous ghetto-improvement projects, such as housing, are desirable and necessary. Some retail stores can be profitably located in the ghetto, and on occasion wholesale, manufacturing or service functions can be advantageously placed in ghetto areas. But for many activities ghetto location would be undesirable or even infeasible. The location decision should be made on economic grounds, considering the usual factors, including the availability of transportation to outside locations for ghetto-resident workers where appropriate. This will indicate a need for

at least some degree of "ghetto dispersal" and/or improvement of transport facilities à la John Kain, but probably will also indicate some profitable ghetto development.[7]

Autarky or Economic Integration

The above discussion is closely linked to another issue: an economically autarkic, self-sufficient, separate development vs. a more specialized, economically integrated kind of development. (This is more relevant to blacks than to other poor minorities.) As mentioned, a number of black-owned firms could prosper by catering largely or exclusively to black customers, and these opportunities should be developed. But achieving economic equality also requires considerable emphasis on "exports" -- metropolitan, regional or larger markets.

The autarkic rhetoric of import substitution has caught a lot of public attention, probably because extreme versions of the idea sound so fantastically impractical. However, most "black" developers agree with Brimmer and other critics that limiting their ventures to serving only black consumers would be nonsense. Many actual programs have large "export" components. They are interested first and foremost in black development or black capitalism. This may have some ghetto-improvement aspects, and some new businesses may be located in the ghetto -- but they recognize no constraint to limit activities either to ghetto areas

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7 Anthony Downs discusses an "enrichment-plus-dispersal" strategy in "The Future of American Ghettoes," Urban Processes, The Urban Institute, Washington, D.C. Vietorisz and Harrison, in The Economic Development of Harlem (New York: Praeger, 1970) describe how to recognize profitable ghetto-development projects.

or to minority customers only. If the ghetto has functioned in a colonial role vis a vis the rest of the economy, and even if its future development is seen as somewhat separate, most minority developers are not interested in reducing exports -- rather they want to increase exports, and to shift them from mostly low-paid labor, to goods and services to which they can contribute high value-added.

The colony-metropole metaphor has some descriptive validity, but it should not be used for advocating a pure "import substitution" strategy for three principal reasons: First, poor minorities are not sovereign and cannot easily promote development with tariffs, subsidies and the like. Concerted withdrawal or redirection of buying power can do something in this direction, but is hard to sustain or generalize. Second, the intimate availability of the entire U. S. economy offers too great a potential to turn one's back on. True, there are plenty of restrictions on "exports" from the "colonies" as well as political repression, use of force and the like. But with all that, the possibilities for reversing the exploitation are there, and offer great profit and growth opportunities. Third, import substitution in most underdeveloped countries has been far from a complete success. Moreover, the single most important ingredient to whatever success it has had -- a large, reservable market -- is not present in the case of the American minority poor.

A little-discussed aspect of the autarky-economic integration issue is the question of geographic scope. Most programs now in existence are related to specific neighborhoods or, at most, specific cities. This is understandable at the present beginning state of these efforts. But metropolitan, regional and national coordination probably offers great advantages, especially in political development. Expanding the scope

should produce more efficient ways to do the same things now being attempted locally, and may also open up new activities that could not even be contemplated on a fragmented scale.

To sum up on markets, the extreme, doctrinaire views which attract so much discussion are palpably false and get little attention in actual projects. A minority market does exist: minority people are consumers, and to the extent they become producers, they are also commercial purchasers. Their self-identification as members of a minority can sometimes be used to direct their purchasing power to or from a certain seller to gain certain objectives. Organized boycotts also may be a springboard for other cooperative activities. Yet the minority market has its limits; appealing to it or organizing its purchasing power is not always possible or profitable. The "$30 billion Negro" is not easily controlled in his buying habits, and in any case he is not so rich compared with the $900 billion non-Negro.

Control

Many important differences center on whether control should be "inside" or "outside" the minority community. If "inside", what degree of community control? In either case, what corporate forms of control and ownership?

One of the first minority development efforts to receive favorable national attention, the Bedford-Stuyvesant program, focused much interest on the control question because branch plants of large corporations were located in the ghetto. This "control outside" kind of program has since appeared elsewhere, notably in Boston and Los Angeles. Its main thrust is to provide jobs for ghetto residents. In some cases, eventual transfer

of ownership to some sort of minority control is planned. Such programs have been criticized as being less efficient and less desirable than moving the ghetto residents to where the jobs are. These programs also fail to appeal to those with the "black" goal of creating their own institutions that will not only employ poor minority workers but also provide profits (they hope) and economic and political power.

With "control inside" programs, important differences arise over the degree of community control and the corporate forms. The desire for community control and the need to make a profit may create a certain conflict. To the extent profits are required -- that is, if an enterprise will not be continually subsidized -- real control by a large number of people may cause problems. "Community control" in practice usually means ultimate but remote control by a large, community-selected board of directors or stockholders, plus spreading the benefits -- not the control -- among a large percentage of the relevant population, through employment, subsidized stock purchasing, provision of social services, and the like. Actual control is often exercised by a small group, just as in private for-profit enterprises. Spreading of benefits, like spreading control, can also create problems for the economic viability of the enterprise.

Many believe that profits can be made in minority economic development, if only constraints and discrimination are removed. Others deny this, alleging that subsidies are essential. This disagreement is hard to resolve, first because of the ambiguity of the difference between "removing constraints and discrimination" and "subsidies," but more importantly because there is so little experience with either type of program.

Employment Policies

The employment issue is how hard to try to employ the "hard-core unemployed." The conflict is whether to serve individuals who need help most, or to hire the best possible personnel. The. U. S. Department of Labor tries to resolve this through subsidies to firms that hire and train the "hard-core." Reports of the value of the subsidies and the difficulties encountered vary.

A problem of implementation, however far one reaches for trainees, is the avoidance of dead-end jobs -- creating a set of activities which provide an employment "ladder" for workers to climb.

Choice of Sector

Choices of sector -- manufacturing, retail or wholesale trade, and services -- can be important because of linkages. A combination of enterprises which are each others' customers and suppliers makes a lot of sense. For instance, a black-controlled bank, construction company, building supply firm, housing rehabilitation program and carpenters' union can perhaps help each other to succeed where separately any might have a harder time. Obviously the bank must find other borrowers and other depositors; the building supply firm other customers, etc. But a little cooperation at the start can make a big difference.

As enterprises develop these linkages on a regional or national scale, the opportunities for political-economic linkages will give added importance to choices of sector.

III. The Current Situation[8]

The Government is doing very little either to gild or to disperse the ghetto. The Office of Minority Business Enterprise was endowed with no program funds and no power of its own other than to "coordinate" government, private, foundation and church programs. The Office of Economic Opportunity has taken leadership, through its Special Impact Programs amounting to about $30-$40 million per year, in financing experiments in community-controlled development programs in a dozen cities. This money, never adequate for more than a few experiments, now is drying up. A number of foundations are contributing money and personnel. University faculty and students also are getting involved here and there.

The people directly involved -- blacks, Mexican-Americans, and other poor minorities -- have been active. They know that nobody is going to "develop" them or gild their ghettoes for them. But the effects of continued and continuing discrimination and poverty are hard to overcome. Without sovereign powers to tax, to levy import tariffs, etc., these "colonies" are finding that both massive capital inflows and effective will to develop are necessary conditions for rapid progress.

So the main constraint now seems -- to me at least -- to be money. Borrowed funds are increasingly available, but the owner's 10 or 20 percent, which has to be there first, is hard to come by. Also of great importance would be the further reduction of discriminatory practices.

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8 A good review of present programs is presented in Henderson & Ledebur, "The Viable Alternative for Black Economic Development," Public Policy, Spring 1970.

Lurking not far behind these monetary and discriminatory constraints, however, are very real problems of ignorance about how to proceed. Given the money and opportunities, we still do not know the best ways to deal with poverty and ghetto living conditions. A number of appealing ideas are around, but they are largely unproven. Testing these experimentally -- with adequate scope and funding -- might well clear up many of the issues discussed in this paper, and pave the way for faster, more efficient progress.